

*OLL 86-0100
21 January 1986

MEMORANDUM FOR: See Distribution

FROM:

Chief, Legislation Division
Office of Legislative Liaison

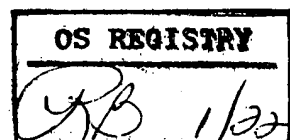
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Subject: Request for Comments - Draft Intelligence
Authorization Act for Fiscal Year 1987

1. Attached for your review and comment is a first draft of the Intelligence Authorization Act for Fiscal Year 1987. Following receipt of your comments, this draft will be transmitted to the Office of Management and Budget (OMB) for Administration clearance prior to its submission by the Director of Central Intelligence (DCI) to the Congress.

2. Titles I through III and X of the bill are, for the most part, routine in nature and similar to comparable provisions contained in the Fiscal Year 1986 Authorization Act (P.L. 99-169).

3. Title IV contains a number of Agency and Community provisions. Section 401 removes an overly burdensome and unnecessary obligation of the Central Intelligence Agency (CIA) and National Security Agency (NSA) to publish classified record destruction schedules in the Federal Register. Section 402 is the "interlocutory appeal" provision which was included in last year's bill as submitted to the Congress. Section 403 provides an "unhealthy posts" retirement differential for non-CIARDS Agency employees. You will recall that last year's bill contained a provision granting this differential to participants in the Central Intelligence Agency Retirement and Disability System (CIARDS). Section 404 is the special drug and alcohol abuse provision for CIA and NSA also contained in last year's bill as submitted to the Congress. Section 405 contains a limitation on the personal tort liability of Intelligence Community personnel which was included in the version of last year's bill sent to OMB.



4. Title V of the bill is the version of the Department of Defense (DoD) proprietaries legislation which was submitted to the Congress last year (in contrast to the version contained in the "Defense Intelligence Commercial Entities Act" as recently proposed by minority members of the House Permanent Select Committee on Intelligence (HPSCI)).

5. Title VI contains a variety of provisions designed to improve the counterintelligence capabilities of the Federal Bureau of Investigation (FBI). Section 601 would mandate that financial institutions cooperate with Federal Government agency requests for records in connection with counterintelligence investigations. Section 602 would allow FBI access to certain tax records in counterintelligence investigations. Section 603 would authorize FBI access to telephone toll records in such investigations. Section 604 would authorize the FBI and DoD to expend funds to bring foreign counterintelligence officials to the United States for consultation. Section 605 would add the FBI to that group of agencies (CIA, DoD and the Office of Personnel Management) who, under P.L. 99-169, are authorized to obtain state and local criminal history record information on applicants.

6. Title VII contains various provisions which would improve the administrative and personnel authorities of the military intelligence agencies. Section 701 provides a method for insuring the security of promotions for military intelligence officers. Section 702 extends the authority of the Secretary of Defense to terminate civilian employees of the Defense Intelligence Agency (DIA). Section 703 extends certain other personnel management authorities which the Secretary now has vis-a-vis DIA to the other military intelligence agencies. Section 704 clarifies the authority of the DoD's Defense Mapping Agency to enter into cooperative agreements and other arrangements with foreign governments. Section 705 extends to DIA civilian employees certain medical benefits already enjoyed by other Intelligence Community personnel stationed overseas. Section 706 authorizes the "Exceptional Intelligence Community Awards Program".

7. Title VIII bars employees within the Intelligence Community for a period of two years following termination of Government service from directly or indirectly accepting employment, entering into any advisory, financial or other relationship with a designated foreign power or providing assistance, guidance, or information concerning intelligence to such foreign powers. Heads of departments or agencies could, however, exempt classes of employees from this prohibition.

Nonexempt employees would be required to seek approval from their former employing agency, and the head of the agency could in his or her discretion approve or disapprove such application. This title would provide for criminal penalties of not more than \$10,000 or imprisonment for no greater than two years for violation of its provisions. Every agency within the intelligence community would be required to promulgate regulations to carry out the provisions of this title. For the purpose of this title, a designated foreign power would include all foreign countries, foreign political parties, all governments in exile, and would include any quasi-governmental, international or multinational organization.

8. Title IX contains the unauthorized disclosure (leaks) provision included in the version of last year's bill sent to OMB.

9. The shortened budget schedule mandated by the "Gramm-Rudman-Hollings" Budget Act means that the entire authorization/appropriation process will be compressed and expedited this year. Specifically, OMB has requested a copy of our authorization bill by this Friday, 24 January 1986. In addition, Chairman Hamilton of HPSCI has requested that the Committee receive a copy of the Administration's bill no later than 7 February. Accordingly, we must receive your comments on the bill no later than noon, Thursday, 23 January. Comments received after this date will not be considered. Given the limited time available before the bill must be transmitted to OMB this Friday, there may not be a sufficient opportunity to resolve major substantive disputes between agencies on specific provisions of the bill. We have contacted OMB, however, concerning the limited review the bill will receive prior to transmittal to that agency and OMB will ensure that each agency has a fuller opportunity to review and comment upon the bill during this additional OMB coordination process.

10. If you have any questions, please do not hesitate to contact me on

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Attachment:
as stated

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